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16 **UNITED STATES DISTRICT COURT**
17 **CENTRAL DISTRICT OF CALIFORNIA**

18
19 SECURITIES AND EXCHANGE
20 COMMISSION,

21 Plaintiff,

22 vs.

23 RYAN CHOI,

24 Defendant.

25 Case No.: 2:24-cv-09082

26 **CONSENT OF DEFENDANT RYAN CHOI**

27 1. Defendant Ryan Choi (“Defendant”) waives service of a summons and
28 the complaint in this action, enters a general appearance, and admits the Court’s
jurisdiction over Defendant and over the subject matter of this action.

2. Without admitting or denying the allegations of the complaint (except as
provided herein in paragraph 12 and except as to personal and subject matter
jurisdiction, which Defendant admits), Defendant hereby consents to the entry of the
final Judgment in the form attached hereto (the “Final Judgment”) and incorporated
by reference herein, which, among other things:

- 1 (a) permanently restrains and enjoins Defendant from violation of
- 2 Section 17(a)(3) of the Securities Act [15 U.S.C. § 77q(a)(3)];
- 3 (b) orders Defendant to pay disgorgement in the amount of
- 4 \$1,647,217.00, plus prejudgment interest thereon in the amount of
- 5 \$64,818.00; and
- 6 (c) orders Defendant to pay a civil penalty in the amount of
- 7 \$115,231.00 under Section 20(d) of the Securities Act, 15 U.S.C.
- 8 § 77t(d).

9 3. Defendant acknowledges that the civil penalty paid pursuant to the Final
10 Judgment may be distributed pursuant to the Fair Fund provisions of Section 308(a)
11 of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund
12 distribution is made, the civil penalty shall be treated as a penalty paid to the
13 government for all purposes, including all tax purposes. To preserve the deterrent
14 effect of the civil penalty, Defendant agrees that he shall not, after offset or reduction
15 of any award of compensatory damages in any Related Investor Action based on
16 Defendant's payment of disgorgement in this action, argue that he is entitled to, nor
17 shall he further benefit by, offset or reduction of such compensatory damages award
18 by the amount of any part of Defendant's payment of a civil penalty in this action
19 ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty
20 Offset, Defendant agrees that he shall, within 30 days after entry of a final order
21 granting the Penalty Offset, notify the Commission's counsel in this action and pay
22 the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as
23 the Commission directs. Such a payment shall not be deemed an additional civil
24 penalty and shall not be deemed to change the amount of the civil penalty imposed in
25 this action. For purposes of this paragraph, a "Related Investor Action" means a
26 private damages action brought against Defendant by or on behalf of one or more
27 investors based on substantially the same facts as alleged in the Complaint in this
28 action.

1 4. Defendant agrees that he shall not seek or accept, directly or indirectly,
2 reimbursement or indemnification from any source, including but not limited to
3 payment made pursuant to any insurance policy, with regard to any civil penalty
4 amounts that Defendant pays pursuant to the Final Judgment, regardless of whether
5 such penalty amounts, or any part thereof are added to a distribution fund or
6 otherwise used for the benefit of investors. Defendant further agrees that he shall not
7 claim, assert, or apply for a tax deduction or tax credit with regard to any federal,
8 state, or local tax for any penalty amounts that Defendant pays pursuant to the Final
9 Judgment, regardless of whether such penalty amounts, or any part thereof are added
10 to a distribution fund or otherwise used for the benefit of investors.

11 5. Defendant waives the entry of findings of fact and conclusions of law
12 pursuant to Rule 52 of the Federal Rules of Civil Procedure.

13 6. Defendant waives the right, if any, to a jury trial and to appeal from the
14 entry of the Final Judgment.

15 7. Defendant enters into this Consent voluntarily and represents that no
16 threats, offers, promises, or inducements of any kind have been made by the
17 Commission or any member, officer, employee, agent, or representative of the
18 Commission to induce Defendant to enter into this Consent.

19 8. Defendant agrees that this Consent shall be incorporated into the Final
20 Judgment with the same force and effect as if fully set forth therein.

21 9. Defendant will not oppose the enforcement of the Final Judgment on the
22 ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of
23 Civil Procedure, and hereby waives any objection based thereon.

24 10. Defendant waives service of the Final Judgment and agrees that entry of
25 the Final Judgment by the Court and filing with the Clerk of the Court will constitute
26 notice to Defendant of its terms and conditions. Defendant further agrees to provide
27 counsel for the Commission, within thirty days after the Final Judgment is filed with
28 the Clerk of the Court, with an affidavit or declaration stating that Defendant has

1 received and read a copy of the Final Judgment.

2 11. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims
3 asserted against Defendant in this civil proceeding. Defendant acknowledges that no
4 promise or representation has been made by the Commission or any member, officer,
5 employee, agent, or representative of the Commission with regard to any criminal
6 liability that may have arisen or may arise from the facts underlying this action or
7 immunity from any such criminal liability. Defendant waives any claim of Double
8 Jeopardy based upon the settlement of this proceeding, including the imposition of
9 any remedy or civil penalty herein. Defendant further acknowledges that the Court's
10 entry of a permanent injunction may have collateral consequences under federal or
11 state law and the rules and regulations of self-regulatory organizations, licensing
12 boards, and other regulatory organizations. Such collateral consequences include, but
13 are not limited to, a statutory disqualification with respect to membership or
14 participation in, or association with a member of, a self-regulatory organization. This
15 statutory disqualification has consequences that are separate from any sanction
16 imposed in an administrative proceeding. In addition, in any disciplinary proceeding
17 before the Commission based on the entry of the injunction in this action, Defendant
18 understands that he shall not be permitted to contest the factual allegations of the
19 complaint in this action.

20 12. Defendant understands and agrees to comply with the terms of 17 C.F.R.
21 § 202.5(e), which provides in part that it is the Commission's policy "not to permit a
22 defendant or respondent to consent to a judgment or order that imposes a sanction
23 while denying the allegations in the complaint or order for proceedings," and "a
24 refusal to admit the allegations is equivalent to a denial, unless the defendant or
25 respondent states that he neither admits nor denies the allegations." As part of
26 Defendant's agreement to comply with the terms of Section 202.5(e), Defendant: (i)
27 will not take any action or make or permit to be made any public statement denying,
28 directly or indirectly, any allegation in the complaint or creating the impression that

1 the complaint is without factual basis; (ii) will not make or permit to be made any
2 public statement to the effect that Defendant does not admit the allegations of the
3 complaint, or that this Consent contains no admission of the allegations, without also
4 stating that Defendant does not deny the allegations; (iii) upon the filing of this
5 Consent, Defendant hereby withdraws any papers filed in this action to the extent that
6 they deny any allegation in the complaint; and (iv) stipulates solely for purposes of
7 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C.
8 §523, that the allegations in the complaint are true, and further, that any debt for
9 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant
10 under the Final Judgment or any other judgment, order, consent order, decree or
11 settlement agreement entered in connection with this proceeding, is a debt for the
12 violation by Defendant of the federal securities laws or any regulation or order issued
13 under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
14 §523(a)(19). If Defendant breaches this agreement, the Commission may petition the
15 Court to vacate the Final Judgment and restore this action to its active docket.
16 Nothing in this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right
17 to take legal or factual positions in litigation or other legal proceedings in which the
18 Commission is not a party.

19 13. Defendant hereby waives any rights under the Equal Access to Justice
20 Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other
21 provision of law to seek from the United States, or any agency, or any official of the
22 United States acting in his or her official capacity, directly or indirectly,
23 reimbursement of attorney's fees or other fees, expenses, or costs expended by
24 Defendant to defend against this action. For these purposes, Defendant agrees that
25 Defendant is not the prevailing party in this action since the parties have reached a
26 good faith settlement.

27 14. Defendant agrees that the Commission may present the Final Judgment
28 to the Court for signature and entry without further notice.

1 15. Defendant agrees that this Court shall retain jurisdiction over this matter
2 for the purpose of enforcing the terms of the Final Judgment.

3
4 Dated: 10/9/24 R.C.
5 Ryan Choi

6 On _____, 2024, _____, a person known to
7 me, personally appeared before me and acknowledged executing the foregoing
8 Consent.

See attached Certificate
Notary Public
Commission expires:

Notary Public
Commission expires:

11 | Approved as to form:

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13 [Defense attorney's name, address, and telephone number]

14 | Attorney for Defendant

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ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles)

On October 9th, 2024 before me, Masis Vartanian, a Notary Public
(insert name and title of the officer)

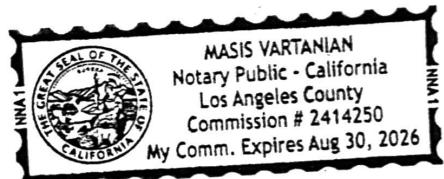
personally appeared Ryan Choi,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature 

(Seal)



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PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION,
444 S. Flower Street, Suite 900, Los Angeles, California 90071
Telephone No. (323) 965-3998; Facsimile No. (213) 443-1904.

On October 22, 2024, I caused to be served the document entitled **CONSENT OF DEFENDANT RYAN CHOI** on all the parties to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

UNITED PARCEL SERVICE: By placing in sealed envelope(s) designated by United Parcel Service ("UPS") with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court's CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: October 22, 2024

/s/ Stephen T. Kam
Stephen T. Kam

SEC v. Ryan Choi
United States District Court—Central District of California
Case No. 2:24-cv-09082

SERVICE LIST

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